



General Assembly

February Session, 2002

Raised Bill No. 479

LCO No. 1918

Referred to Committee on Commerce

Introduced by:
(CE)

***AN ACT CONCERNING REPORTS ON PROJECTS RECEIVING
ECONOMIC DEVELOPMENT ASSISTANCE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2002*) The Commissioner of
2 Economic and Community Development shall establish goals and
3 objectives for each project receiving financial assistance under any
4 program administered by the commissioner on and after the effective
5 date of this act. Commencing October 1, 2002, and quarterly thereafter,
6 the commissioner shall submit a report on the progress of the project in
7 achieving the goals and objectives established under this section to the
8 joint standing committee of the General Assembly having cognizance
9 of matters relating to economic development and to the bonding
10 subcommittee of the joint standing committee of the General Assembly
11 having cognizance of matters relating to finance, revenue and bonding.
12 Such report shall be organized by economic cluster.

13 Sec. 2. Subsection (c) of section 32-11a of the general statutes, as
14 amended by section 5 of public act 01-179, is repealed and the
15 following is substituted in lieu thereof (*Effective July 1, 2002*):

16 (c) The board of directors of the authority shall consist of the
17 Commissioner of Economic and Community Development, the
18 Treasurer of the state and the Secretary of the Office of Policy and
19 Management, each serving [ex officio] ex-officio, four members
20 appointed by the Governor who shall be experienced in the field of
21 financial lending or the development of commerce, trade and business
22 and four members appointed as follows: One by the president pro
23 tempore of the Senate, one by the minority leader of the Senate, one by
24 the speaker of the House of Representatives and one by the minority
25 leader of the House of Representatives. Each ex-officio member may
26 designate a deputy or any member of the agency staff to represent the
27 member at meetings of the authority with full powers to act and vote
28 on the member's behalf. The chairperson of the board shall be
29 appointed by the Governor, with the advice and consent of both
30 houses of the General Assembly. The board shall annually elect one of
31 its members as vice chairman. Each member appointed by the
32 Governor shall serve at the pleasure of the Governor but no longer
33 than the term of office of the Governor or until the member's successor
34 is appointed and qualified, whichever is longer. Each member
35 appointed by a member of the General Assembly shall serve in
36 accordance with the provisions of section 4-1a. Members shall receive
37 no compensation but shall be reimbursed for necessary expenses
38 incurred in the performance of their duties under the authority
39 legislation, as defined in subsection (hh) of section 32-23d, as amended.
40 The Governor shall fill any vacancy for the unexpired term of a
41 member appointed by the Governor. The appropriate legislative
42 appointing authority shall fill any vacancy for the unexpired term of a
43 member appointed by such authority. A member of the board shall be
44 eligible for reappointment. Any member of the board may be removed
45 by the Governor for misfeasance, malfeasance or wilful neglect of
46 duty. Each member of the authority before entering upon his or her
47 duties shall take and subscribe the oath or affirmation required by
48 article XI, section 1, of the State Constitution. A record of each such
49 oath shall be filed in the office of the Secretary of the State. Meetings of

50 the board shall be held at such times as shall be specified in the bylaws
51 adopted by the board and at such other time or times as the chairman
52 deems necessary. The board is empowered to adopt bylaws and
53 regulations for putting into effect the provisions of said chapters and
54 sections. Not later than November first, annually, the authority shall
55 submit a report to the Commissioner of Economic and Community
56 Development, the Auditors of Public Accounts and the joint standing
57 committees of the General Assembly having cognizance of matters
58 relating to the Department of Economic and Community
59 Development, appropriations and capital bonding, which shall include
60 the following information with respect to new and outstanding
61 financial assistance provided by the authority during the twelve-
62 month period ending on June thirtieth next preceding the date of the
63 report for each financial assistance program administered by the
64 authority: (1) A list of the names, addresses and locations of all
65 recipients of such assistance, (2) for each recipient: (A) The business
66 activities, (B) the Standard Industrial Classification Manual codes, (C)
67 the gross revenues during the recipient's most recent fiscal year, (D)
68 the number of employees at the time of application, (E) whether the
69 recipient is a minority or women-owned business, (F) a summary of
70 the terms and conditions for the assistance, including the type and
71 amount of state financial assistance, job creation or retention
72 requirements, and anticipated wage rates, and (G) the amount of
73 investments from private and other nonstate sources that have been
74 leveraged by the assistance, (3) the economic benefit criteria used in
75 determining which applications have been approved or disapproved,
76 and (4) for each recipient of assistance on or after July 1, 1991, a
77 comparison between the number of jobs to be created, the number of
78 jobs to be retained and the average wage rates for each such category
79 of jobs, as projected in the recipient's application, versus the actual
80 number of jobs created, the actual number of jobs retained and the
81 average wage rates for each such category. The report shall also
82 indicate the actual number of full-time jobs and the actual number of
83 part-time jobs in each such category and the benefit levels for each

84 such subcategory. In addition, the report shall state (A) for each final
 85 application approved during the twelve-month period covered by the
 86 report, (i) the date that the final application was received by the
 87 authority, and (ii) the date of such approval; (B) for each final
 88 application withdrawn during the twelve-month period covered by
 89 the report, (i) the municipality in which the applicant is located, (ii) the
 90 Standard Industrial Classification Manual code for the applicant, (iii)
 91 the date that the final application was received by the authority, and
 92 (iv) the date of such withdrawal; (C) for each final application
 93 disapproved during the twelve-month period covered by the report, (i)
 94 the municipality in which the applicant is located, (ii) the Standard
 95 Industrial Classification Manual code for the applicant, (iii) the date
 96 that the final application was received by the authority, and (iv) the
 97 date of such disapproval; and (D) for each final application on which
 98 no action has been taken by the applicant or the agency in the twelve-
 99 month period covered by the report and for which no report has been
 100 submitted under this subsection, (i) the municipality in which the
 101 applicant is located, (ii) the Standard Industrial Classification Manual
 102 code for the applicant, and (iii) the date that the final application was
 103 received by the authority. The November first report shall include a
 104 summary of the activities of the authority, including all activities to
 105 assist small businesses and minority business enterprises, as defined in
 106 section 4a-60g, as amended, a complete operating and financial
 107 statement and recommendations for legislation to promote the
 108 purposes of the authority. The authority shall establish goals and
 109 objectives for each project receiving financial assistance from the
 110 authority on and after the effective date of this act. Commencing
 111 October 1, 2002, and quarterly thereafter, the authority shall submit a
 112 report on the progress of the project in achieving such goals and
 113 objectives to the joint standing committee of the General Assembly
 114 having cognizance of matters relating to economic development and to
 115 the bonding subcommittee of the joint standing committee of the
 116 General Assembly having cognizance of matters relating to finance,
 117 revenue and bonding. Such report shall be organized by economic

118 cluster. The authority shall furnish such additional reports upon the
 119 written request of any such committee at such times and containing
 120 such information as the committee may request. The accounts of the
 121 authority shall be subject to annual audit by the state Auditors of
 122 Public Accounts. The authority may cause an audit of its books and
 123 accounts to be made at least once each fiscal year by certified public
 124 accountants. The powers of the authority shall be vested in and
 125 exercised by not less than six of the members of the board of directors
 126 then in office. Such number of members shall constitute a quorum and
 127 the affirmative vote of a majority of the members present at a meeting
 128 of the board shall be necessary for any action taken by the authority.
 129 No vacancy in the membership of the board shall impair the right to
 130 exercise all the rights and perform all the duties of the authority. Any
 131 action taken by the board under the provisions of said chapters and
 132 sections may be authorized by resolution at any regular or special
 133 meeting, and each such resolution shall take effect immediately and
 134 need not be published or posted. The authority shall be exempt from
 135 the provisions of section 4-9a.

136 Sec. 3. Section 32-47a of the general statutes is repealed and the
 137 following is substituted in lieu thereof (*Effective July 1, 2002*):

138 Not later than January first in each year, Connecticut Innovations,
 139 Incorporated shall submit a business plan containing a summary of its
 140 projected operations for the year to the joint standing committees of
 141 the General Assembly having cognizance of matters relating to the
 142 Department of Economic and Community Development,
 143 appropriations and capital bonding. Not later than November first,
 144 annually, the corporation shall submit a report to the Commissioner of
 145 Economic and Community Development, the Auditors of Public
 146 Accounts and said joint standing committees, which shall include the
 147 following information with respect to new and outstanding financial
 148 assistance provided by the corporation during the twelve-month
 149 period ending on June thirtieth next preceding the date of the report
 150 for each financial assistance program administered by the corporation:

151 (1) A list of the names, addresses and locations of all recipients of such
 152 assistance, (2) for each such recipient: (A) The business activities, (B)
 153 the Standard Industrial Classification Manual codes, (C) the gross
 154 revenues during the recipient's most recent fiscal year, (D) the number
 155 of employees at the time of application, (E) whether the recipient is a
 156 minority or woman-owned business, (F) a summary of the terms and
 157 conditions for the assistance, including the type and amount of state
 158 financial assistance, job creation or retention requirements, and
 159 anticipated wage rates, and (G) the amount of investments from
 160 private and other nonstate sources that have been leveraged by the
 161 assistance, (3) the economic benefit criteria used in determining which
 162 applications have been approved or disapproved, and (4) for each
 163 recipient of assistance on or after July 1, 1991, a comparison between
 164 the number of jobs to be created, the number of jobs to be retained and
 165 the average wage rates for each such category of jobs, as projected in
 166 the recipient's application, versus the actual number of jobs created,
 167 the actual number of jobs retained and the average wage rates for each
 168 such category. The report shall also indicate the actual number of full-
 169 time jobs and the actual number of part-time jobs in each such category
 170 and the benefit levels for each such subcategory. The November first
 171 report shall include a summary of the activities of the corporation,
 172 including all activities to assist small businesses and minority business
 173 enterprises, as defined in section 4a-60g, as amended, a complete
 174 operating and financial statement and recommendations for legislation
 175 to promote the purposes of the corporation. The corporation shall
 176 establish goals and objectives for each project receiving financial
 177 assistance from the corporation on and after the effective date of this
 178 act. Commencing October 1, 2002, and quarterly thereafter, the
 179 corporation shall submit a report on the progress of the project in
 180 achieving the goals and objectives established under this section to the
 181 joint standing committee of the General Assembly having cognizance
 182 of matters relating to economic development and to the bonding
 183 subcommittee of the joint standing committee of the General Assembly
 184 having cognizance of matters relating to finance, revenue and bonding.

185 Such report shall be organized by economic cluster. The corporation
186 shall furnish such additional information upon the written request of
187 any such committee at such times as the committee may request.

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| This act shall take effect as follows: | |
| Section 1 | <i>July 1, 2002</i> |
| Sec. 2 | <i>July 1, 2002</i> |
| Sec. 3 | <i>July 1, 2002</i> |

Statement of Purpose:

To require the Department of Economic and Community Development, the Connecticut Development Authority and Connecticut Innovations, Inc. to set goals and objectives for projects receiving financial assistance and to quarterly submit a report to the commerce committee and the bonding subcommittee on progress in meeting the goals and objectives.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]